

IN THE CHANCERY COURT FOR DAVIDSON COUNTY, TENNESSEE FOR THE TWENTIETH
JUDICIAL DISTRICT AT NASHVILLE

STATE OF TENNESSEE,
Petitioner,

v.

ECKERD CORPORATION, a Delaware
corporation,

Respondent.

AGREED ORDER

This cause came to be heard on the State of Tennessee's Petition and the parties' Assurance of Voluntary Compliance, and the Court is of the opinion that the Assurance of Voluntary Compliance should be approved. It is therefore

ORDERED, ADJUDGED, and DECREED that the Assurance of Voluntary Compliance annexed hereto and incorporated herein by reference, and hereby made a part of this Order be, and the same hereby is, approved, and it is further

ORDERED, ADJUDGED, and DECREED that this matter is assigned to this Court because it involves a matter substantially related to a qui tam lawsuit pending in this Court;

ORDERED, ADJUDGED, and DECREED that Respondent shall comply with the terms thereof unless rescinded by the parties or modified by this Court for good cause shown.

As required by the Assurance, Respondent shall pay One Hundred and Thirty-Five Thousand and 00/100 Dollars (\$135,000.00), for reasonable and appropriate attorneys' fees, costs of the investigation and

enforcement auditing and monitoring for compliance of this matter to the Attorney General, which may be used for consumer protection purposes, qui tam/false claims purposes, health care fraud purposes, and unfair or deceptive trade practices purposes at the sole discretion of the Attorney General. This amount shall be paid as set forth in paragraph 4.1 of the Assurance.

Further, to resolve Eckerd's potential liability pursuant to the Tennessee Medicaid False Claims Act, Tenn. Code Ann. § 71-5-182 for restitution and non-punitive damages, due the State of Tennessee for Tennessee's share of Medicaid dollar overpayments, Respondent shall pay the sum of Sixty-Five Thousand Dollars and 00/100 Cents (\$65,000.00) to the State of Tennessee General Fund as a non-punitive payment to be used for the benefit of the Bureau of TennCare as set forth in paragraph 5.1 of the Assurance. Said payment shall be paid as set forth in paragraph 5.1 of the Assurance.

Pursuant to Tenn. Code Ann. § 47-18-116, administrative costs charged by the court or the clerk of the court associated with this action shall be taxed to Respondent. Further, no discretionary costs shall be taxed to the State. Except as expressly provided herein, each party shall bear its own attorneys' fees associated with this proceeding and with the approval and filing of the Assurance of Voluntary Compliance and this Agreed Order.

IT IS SO ORDERED.